

State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA Division Director $\begin{array}{c} {\rm JON~M.~HUNTSMAN,~JR.} \\ {\rm \it Governor} \end{array}$

GARY R. HERBERT Lieutenant Governor

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Representatives Present During the Inspection:				
	OGM	Joe Helfrich Environmental Scientist III		
	Company	Dennis Ware Controller		

Inspection Report

Permit Number:	C0070038			
Inspection Type:	COMPLETE			
Inspection Date:	Thursday, September 22, 2005			
Start Date/Time:	9/22/2005 10:00:00 AM			
End Date/Time:	9/22/2005 3:00:00 PM			
Last Inspection:	Thursday, June 16, 2005			

Inspector: Joe Helfrich, Environmental Scientist III

Weather: sunny 70 slight breeze
InspectionID Report Number: 748

Accepted by: whedberg 10/3/2005

Permitee: **PLATEAU MINING CORP**Operator: **PLATEAU MINING CORP**

Site: WILLOW CREEK MINE

Address: PO BOX 30, HELPER UT 84526-0030

County: CARBON

Permit Type: PERMANENT COAL PROGRAM

Permit Status: ACTIVE

Current Acreages I

14,670.00	Total Permitted
161.55	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership T

✓ Federal

✓ Other

Types of Operations Underground

Reprocessing

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	State		Surface
	County	✓	Loadout
/	Fee		Processing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The purpose of this site visit was to conduct a complete inspection at the Willow Creek reclaimed site. There were no off-site impacts noted during the inspection. An application for phase one bond release for the Schoolhouse refuse pile and an application for phase three bond release for the remaining buildings and associated property was hand-delivered to the Division on September 23, 2005 by the undersigned.

Inspector's Signature

Date

Friday, September 30, 2005

Joe Helfrich, Environmental Scientist III Inspector ID Number: 1

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

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REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

- 1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
- 2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
- Reference any narratives written in conjunction with this inspection at the appropriate performace standard listed below.
 Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

		Evaluated	Not Applicable	Comment	Enforcement
1.	Permits, Change, Transfer, Renewal, Sale	✓		✓	
2.	Signs and Markers	✓		✓	
3.	Topsoil	✓			
4.a	Hydrologic Balance: Diversions	✓			
4.b	Hydrologic Balance: Sediment Ponds and Impoundments	✓		✓	
4.c	Hydrologic Balance: Other Sediment Control Measures	✓		✓	
4.d	Hydrologic Balance: Water Monitoring	✓		✓	
4.e	Hydrologic Balance: Effluent Limitations	✓		✓	
5.	Explosives		✓		
6.	Disposal of Excess Spoil, Fills, Benches		✓		
7.	Coal Mine Waste, Refuse Piles, Impoundments	✓		✓	
8.	Noncoal Waste	✓			
9.	Protection of Fish, Wildlife and Related Environmental Issues	✓			
10.	Slides and Other Damage	✓			
11.	Contemporaneous Reclamation		✓		
12.	Backfilling And Grading	✓			
13.	Revegetation	✓		✓	
14.	Subsidence Control	✓		✓	
15.	Cessation of Operations		✓		
16.8	a Roads: Construction, Maintenance, Surfacing	✓			
16.	o Roads: Drainage Controls	✓			
17.	Other Transportation Facilities		✓		
18.	Support Facilities, Utility Installations	✓		✓	
19.	AVS Check		✓		
20.	Air Quality Permit		~		
21.	Bonding and Insurance	✓		✓	
22.	Other		✓		

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1. Permits, Change, Transfer, Renewal, Sale

The 5-year permit expires on 4/23/06. The renewal due date for the application is 12/23/07. The U.P.D.E.S. permit was issued 5/1/03 and expires on 4/30/08. The Division has received an application for phase one bond release for the Gravel Canyon area. The application has been reviewed and an on site evaluation was completed 9/8/05.

2. Signs and Markers

Signs containing the required information were posted at the entrances to the reclaimed site.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The sediment pond 001A was inspected on 8/4/05 by Lane Jensen from Earthfax Engineering. The structure was stable and showed no signs of weakness or hazards. At the time of this inspection, there was no water in the pond. The refuse pile was also inspected on 8/5/05. The structure was stable and showed no signs of weakness or hazards.

4.c Hydrologic Balance: Other Sediment Control Measures

The roughening techniques used during reclamation were functioning adequately to retain water and control off site sediment deposition.

4.d Hydrologic Balance: Water Monitoring

Hard copies of the monitoring data for the second quarter of 2005 were available for inspection. The second quarter data has also been uploaded into the database.

4.e Hydrologic Balance: Effluent Limitations

DMR's were current through August 2005.

7. Coal Mine Waste, Refuse Piles, Impoundments

The Schoolhouse Canyon refuse pile was inspected on 8/4/05. According to the inspection report prepared by Lane Jensen, there were no signs of structural weakness or hazards.

13. Revegetation

This is the end of the first season since the site was reclaimed. There are some areas where the vegetation seems to be sparse compared to the remaining areas. It will take several years before an accurate assessment on the vegetation success can be made.

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14. Subsidence Control

The Crandall Canyon manshafts are being monitored for settling. Extra soil was placed near the manshafts at reclamation to be used in case the areas around the shafts settle. The larger of the two shafts has settled approximately 3-5 feet. The area will be filled, regraded, and seeded this fall.

18. Support Facilities, Utility Installations

Removal and relocation of the rail loadout facility is scheduled to be completed in October of this year. Once dismantled, the facility will be transported to an affilliate mine in Pennsylvania. The dismantling will require the use two 70-ton cranes strategically placed near the loadout building.

21. Bonding and Insurance

The surety bond is in the amount of \$7,866,000 and the liability insurance is current through 7/30/06.